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From the Memphis Business Journal:

<https://www.bizjournals.com/memphis/news/2020/11/13/cognate-bioservices-plans-huge-new-investment.html>

Cognate BioServices plans \$212M investment in Memphis ops

Nov 13, 2020, 3:04pm CST **Updated: Nov 13, 2020, 3:29pm CST**

A bioscience company with a large local presence is planning a new investment that would create hundreds of jobs and see three industrial sites receive major renovations and new construction.

Cognate BioServices Inc. plans to renovate three properties for "cell-

operations, contract
ent, and manufacturing for
sors, and related logistics."

any is seeking a 15-year Jobs PILOT (payment-in-lieu-of-
n the Economic Development Growth Engine (EDGE) for
and Shelby County. The incentive would be worth \$52
d be based on a \$212 million project investment.

The investment would include \$126 million in construction costs
and \$71 million in personal property. It covers sites at 4600 E.
Shelby Drive, 5780 E. Shelby Drive, and 6100 Global Drive.

According to the EDGE summary, the project will create 561 jobs,
with an average annual wage of \$63,749. The expansion would see
the construction of new cell-therapy "clean room" suites, and
warehousing, which would make for a significant increase in its
manufacturing capacity.



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Cognate is a contract developer and manufacturer of advanced cell and gene therapies. About a year ago, it got a capital infusion to acquire a UK biosciences firm. That deal helped position the company to be directly involved in the development of two COVID-19 vaccine candidates.

Cognate's EDGE application says the company also recently "manufactured the product for the world's largest clinical trial for a treatment for glioblastoma multiforme, considered the most aggressive form of brain cancer."

Its clients include AstraZeneca, Atara Biotherapeutics Inc. and Northwest Biotherapeutics Inc.

Companywide, it has 568 employees, with 287 located at its current location at 4600 E. Shelby, which it established in 2007.

The PILOT made Memphis a more attractive site for this project versus Baltimore and Dallas, the application said.

Cognate is planning for a possible second phase of the project, with a further expansion and investment, but this PILOT would only cover phase one. But, the application said, "The two phases are

linked." Phase two could be proposed by Dec. 1, 2024, the development of another three sites, at 6099 Global with parcels on Distriplex Farms and Crumpler Road. All the two could be comprised of a capital investment of \$147 million and \$300 million and the creation of another 100 jobs, with average wages of \$50,000 to \$65,000.

More details:

4600 E. Shelby Drive: \$30 million in construction of new clean room suites and manufacturing support areas. A quarter of the facility's existing 88,000 square feet would be renovated for the new uses. By 2024, 230 net new jobs would be located here. The owner of the building is Thomson Logistics Assets LLC.

5780 E. Shelby Drive: Cognate would relocate the warehousing it does at 4600 E. Shelby to this new location. It would occupy 50,000 square feet of space, including new office buildout, for a total improvement cost of \$2 million. It would net 10 new jobs by 2024. The owner of the property is A.L. Dougherty - Tennessee LLC.



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6100 Global Drive: This new location for Cognate would contain new clean room suites and more manufacturing support areas, which would entail \$94 million in improvement costs. The company would take over 123,000 square feet of existing improvements there, and would also benefit from new construction improvements. At this location, 321 net new jobs would be created by 2024. The owner is Exeter 6100 Global LLC.

Cognate is being represented by the Memphis law firm Martin, Tate, Morrow & Marston. The application will go before the EDGE board on Wednesday, Nov. 18.

Greg Akers

Editor-in-Chief

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